

A, authorizing the Debtors to file under seal that certain list of bidders and potential bidders (the “Bidder List”) for substantially all of GSC’s assets at the Auction (as defined below). The Debtors respectfully state as follows:

JURISDICTION

1. The Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 157 and 1334. Venue in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409.
2. This is a core proceeding pursuant to 28 U.S.C. § 157(b).
3. The statutory bases for the relief requested herein are section 107(b) of title 11 of the United States Code (the “Bankruptcy Code”), and Rule 9018 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

BACKGROUND

4. On August 31, 2010 (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code.
5. The Debtors are operating their businesses and managing their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.
6. No trustee, examiner, or committee has been appointed.
7. The Debtors are in the midst of selling substantially all of GSC’s assets. On September 23, 2010, the Court entered the Order Approving (A) Bidding Procedures, (B) Form and Manner of Notice of Sale, and (C) Assumption and Assignment Procedures (the “Bid Procedures Order”) [Docket No. 134]. The Debtors conducted an auction (the “Auction”) on October 26, 2010, through and including October 29, 2010. The prevailing bid was a combination credit and cash bid to acquire substantially all of GSC’s assets submitted by Black Diamond Commercial Finance, LLC, as agent (the “Agent”) for the Debtors’ prepetition lenders,

together with one of its affiliates, Black Diamond Capital Management, LLC (with the Agent, the “Purchaser”). The Purchaser’s prevailing bid has a combined value of \$235 million.

8. The hearing (the “Sale Hearing”) for this Court to consider approval of the proposed sale to Purchaser is scheduled to commence on December 6, 2010.

9. Additional information about the Debtors’ businesses, prepetition capital structure and circumstances leading to the chapter 11 filings are set forth in the Declaration of Peter R. Frank in Support of Chapter 11 Petitions and First Day Orders [Docket No. 9].

RELIEF REQUESTED

10. By this Motion, the Debtors request entry of an order, pursuant to section 107(b) of the Bankruptcy Code and Bankruptcy Rule 9018, authorizing the Debtors to file the Bidder List under seal. The Debtors have entered into confidentiality agreements (the “Agreements”) with the parties listed on the Bidder List. Under certain of the Agreements, the Debtors have confidentiality obligations with respect to bidder identity. The Debtors’ file this Motion out of an abundance of caution in order to ensure that they protect the identity of the bidders on the Bidder List in compliance their obligations under certain of the Agreements. The Bidder List may be used as evidence at the Sale Hearing.

BASIS FOR RELIEF

11. Pursuant to section 107(b) of the Bankruptcy Code, the Court may authorize the Debtors to file the Bidder List under seal. Section 107(b) provides:

On request of a party in interest, the bankruptcy court shall, and on the bankruptcy court’s own motion, the bankruptcy court may--

- (1) protect an entity with respect to a trade secret or confidential research, development, or commercial information; or
- (2) protect a person with respect to scandalous or defamatory matter contained in a paper filed in a case under this title.

11 U.S.C. § 107(b).

12. Bankruptcy Rule 9018 sets forth the procedure by which a party in interest may obtain a protective order authorizing the filing of a document under seal. Bankruptcy Rule 9018 reads in relevant part:

On motion or on its own initiative, with or without notice, the court may make any order which justice requires (1) to protect the estate or any entity in respect of a trade secret or other confidential research, development, or commercial information . . .

Fed. R. Bankr. P. 9018.

13. Once the Court determines that a party in interest seeks protection of information that falls within one of the categories enumerated in section 107(b) of the Bankruptcy Code, “the court is required to protect a requesting interested party and has no discretion to deny the application.” *Video Software Dealers Ass’n v. Orion Pictures Corp. (In re Orion Pictures Corp.)*, 21 F.3d 24, 27 (2d Cir. 1994). Courts have found that such relief should be granted if the information sought to be protected is “commercial information.” See *In re Global Crossing*, 295 B.R. 720, 725 (Bankr. S.D.N.Y. 2003)(stating that the purpose of Bankruptcy Rule 9018 is to “protect business entities from disclosure of information that could reasonably be expected to cause the entity commercial injury”). Courts have also stated that commercial information need not rise to the level of a trade secret to be protected under section 107(b) of the Bankruptcy Code. *Orion*, 21 F.3d at 28.

14. The Debtors thus respectfully request that this Court permit the Bidder List to be filed under seal pursuant to section 107(b) of the Bankruptcy Code and Rule 9018 because (1) the Debtors are bound by the confidentiality agreements entered into between the Debtors and certain parties listed on the Bidder List; and (2) disclosure of this information could reasonably be expected to cause these parties commercial injury.

NOTICE AND PRIOR MOTIONS

15. Pursuant to and in accordance with the Order Implementing Certain Notice and Case Management Procedures [Docket No. 30] (the “Case Management Order”), notice of this Motion has been provided to the parties on the Master Service List and the parties that have objected to the relief sought by the Debtors at the Sale Hearing.

16. In light of the nature of the relief requested herein, the Debtors submit that no other or further notice of this Motion is necessary or required.

17. No previous request for the relief sought herein has been made.

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WHEREFORE, for the reasons set forth herein, the Debtors respectfully request that the Court (i) enter an order, substantially in the form annexed hereto as Exhibit A, granting the Debtors' Motion to file the Bidder List under seal; and (ii) granting such other and further relief as is just and proper.

Dated: December 5, 2010
New York, New York

Respectfully submitted,
GSC GROUP, INC., ET AL.,

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Attorneys for the Debtors
and Debtors-in-Possession

Exhibit A

Proposed Order

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	
)	Chapter 11
GSC GROUP, INC., <u>et al.</u> , ¹)	
)	Case No. 10-14653 (AJG)
Debtors.)	(Jointly Administered)
)	

**ORDER AUTHORIZING THE DEBTORS TO
FILE BIDDER LIST UNDER SEAL**

Upon consideration of the motion (the “Motion”)² of GSC Group, Inc. and certain of its direct or indirect subsidiaries and affiliates (collectively, the “Debtors”) for entry of an order authorizing the Debtors to file the Bidder List under seal; and the Court having found that it has jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and the Court having found that the Motion is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Court having found that venue of this proceeding and the Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having found that the relief requested in the Motion is in the best interests of the Debtors’ estates, their creditors and other parties in interest; and notice of the Motion appearing adequate and appropriate under the circumstances; and the Court having found that no other or further notice need be provided; and the Court having reviewed the Motion; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and any objections to the relief requested herein having been

¹. The Debtors along with the last four digits of each Debtor’s federal tax identification number are GSC Group, Inc. (6382), GSCP, LLC (6520), GSC Active Partners, Inc. (4896), GSCP (NJ), Inc. (3944), GSCP (NJ) Holdings, L.P. (0940), GSCP (NJ), L.P. (0785), and GSC Secondary Interest Fund, LLC (6477).

². Capitalized terms used but not defined herein shall have the same meanings ascribed to them in the Motion.

withdrawn or overruled on the merits; and after due deliberation and sufficient cause appearing,
it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is granted to the extent provided herein.
2. The Debtors are authorized to file the Bidder List under seal pursuant to section 107(b) of the Bankruptcy Code and Rule 9018 of the Federal Rules of Bankruptcy Procedure.
3. Notwithstanding the possible applicability of Bankruptcy Rule 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.
4. This Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

New York, New York
Dated: _____, 2010

Chief United States Bankruptcy Judge